

1. I have something called a Chapter 13 plan. What is that exactly?

The Bankruptcy Code requires that every Chapter 13 bankruptcy have a **plan**. It is a summary sent to your creditors that, in effect, tells them... “here are my financial problems and here is how I intend to fix them.” Your judge and the Trustee, both of whom must approve your **plan**, consider the Chapter 13 plan as a contract between you and your creditors. The judges and Trustee take this very seriously and will insist that you abide by the terms of that contract, or in this case, the **plan**. If you don’t have a copy of your **plan**, you should get one immediately and read through it and ask any questions you might have.



The Trustee must pay your creditors exactly as called for by the plan. The Trustee does not have any discretion to change those payments. If they need to be changed, your lawyer must file an **amended plan** which must be approved by the your creditor, the Trustee, and your bankruptcy judge.

The clerk of the court will send a copy of your **plan** to your creditors in advance of the first meeting of creditors to allow them to review and object to their treatment if they don’t like what they see. After the **plan** has been sent to your creditors, you will meet telephonically with the Trustee for what is called the “first meeting” or “341” hearing to review the **plan**, make any changes required and, if any creditors appear, to give them a chance to ask any questions they might have.

About 6 weeks after the “first meeting” you will have what is called a confirmation hearing. If you have an attorney, he or she will appear on your behalf. You do not need to attend unless you are instructed to attend by your attorney or the Trustee. At that hearing, the judge will hear from the Trustee to make sure the **plan** complies with the Bankruptcy Code and from any creditors that want to object to their treatment in the **plan**. Once the judge is satisfied that the Trustee approves of your **plan** and that any creditor objections have been resolved, the judge “confirms” your plan and signs an Order of the court. The Order Confirming your **plan** signifies approval of your **plan** which binds and obliges both you and your creditors to it.

Chapter 13 can be complicated. Be sure to check my web site at www.portland13.com for lots of important information that will assist you in the successful completion of your plan.

2. Who is this Trustee anyway?

All Chapter 13 cases have a Trustee who is responsible for the overall administration of your case. In all Chapter 13 cases in Northern Oregon, the Trustee is Wayne Godare and he has approximately 3,000 active files in addition to yours.

The Trustee's duties are found in the Bankruptcy Code. They include, at a minimum, reviewing your bankruptcy petition and **plan** to ensure that it is complete and accurate; determining your ability to make payments and whether your Chapter 13 **plan** will be successful as proposed; conducting the first meeting of creditors and appearing at other hearings in your case; monitoring the progress of your case; collecting your payments and paying creditors according to the **plan**; recovering improper payments made before your filing; providing information about your case to those who are authorized and have a need to know; and most importantly, assisting you in the performance of your **plan**.



The Trustee's address is:
222 S.W. Columbia Street, Suite 1700
Portland, Oregon 97201

The Trustee's office phone is: (503) 972-6300

If, for any reason, you change your address while you are in Chapter 13, you MUST notify BOTH the Trustee's office and the Bankruptcy Court.

REMEMBER: the Trustee cannot give you any legal advice. If you need legal advice, you need to contact your attorney.

The Trustee's Office Hours Are – 9am to 12 noon - 1pm to 4pm (closed for lunch)

**3. *I understand I must make a plan payment each month to the Trustee.
How do I do that?***

You must begin making your plan payments to the Trustee within 30 days after your case is filed in the amounts as described in Paragraph 1 of your plan.

There are three (3) ways to make your **plan** payment:

- (1) Have your payments taken directly from your employee paycheck; or,
- (2) Use a service called TFS (Trustee Financial Service) which will draw the payment directly from your checking account and get it to the Trustee (see your attorney or the Trustee's office for more details); or,
- (3) If you have a valid reason not to use the employee paycheck or TFS, a money order or cashier's check directly to the Trustee's bank in Memphis Tennessee. (We have included in the back of this book a number of address stickers for you to use to insure any payments you must make yourself reach the bank correctly)

REMEMBER, YOU have the obligation to make sure that payments are made directly to the bank and you need to pay attention to whichever method you choose.

The amount of your payment may change as your case progresses, so be sure to check your individual **plan** so that you are prepared for any payment changes.

If you must make any plan payments directly to the Trustee's bank, please note the following:

**THE TRUSTEE'S BANK WILL NOT ACCEPT PERSONAL CHECKS
DO NOT MAIL CASH!!**

If you have to pay directly, the Trustee's bank can only accept Money Orders or Cashiers Checks, which must include:

- (1) your **NAME**;
- (2) your **ADDRESS**; and
- (3) your **CHAPTER 13 CASE NUMBER** (on the front of this book).

Please make all direct payments payable to:

Wayne Godare, Trustee

And mail them to:

Wayne Godare, Trustee

P.O. Box 420

Memphis, Tennessee 38101-0420

The Trustee will never instruct you to make these payments to another address. If someone directs you to another address, call our office immediately!

4. What happens if I miss payments to the Trustee or creditors for which I am responsible because of an emergency?

You must not miss any payments to the Trustee unless it is permitted by the bankruptcy judge. When you file your Chapter 13, your creditors are prohibited from taking any action against you. In exchange for that protection, you must complete your obligations under the **plan**. One of those obligations is making your payments to the Trustee on time. If you wish your Chapter 13 to be successful, you cannot have your employer stop making the payroll deductions or miss any scheduled payments you are making on your own. If you miss payments, the Trustee cannot pay your creditors as called for by your **plan** and the Trustee is obligated to file papers with the Bankruptcy Court asking that your case be dismissed. If your case is dismissed, your creditors will be notified and may resume collection against you.

If you have a change in your circumstances such as an unforeseen emergency, you should notify your attorney at once. Your attorney can re-evaluate your financial situation and, if appropriate, change your **plan** to reflect the different circumstances. This can take some time, so be sure to contact your attorney immediately if you foresee any problem making your payments.

REMEMBER: The Trustee does not have the power to excuse any payments. Any change in payments must be approved by your Bankruptcy Judge.

IMPORTANT!

REGULAR ONGOING MORTGAGE PAYMENTS

If your ongoing monthly mortgage payments are listed in paragraph 7 of your **plan** and on Schedule J (your budget) you must make those payments as scheduled. If you miss any of those payments, you will not have complied with Section 1328 (a) of the Bankruptcy Code and may not be eligible for a discharge. That section requires that you make all payments under the plan before a discharge can be granted and ongoing mortgage payments are payments under the plan.

DO NOT MISS YOUR ONGOING MORTGAGE PAYMENTS IF YOU WISH A DISCHARGE

PAYING ANY TAX OBLIGATIONS ON TIME

While your case is open, you must pay any tax obligations that become due. If you fail to pay any taxes that are due, the IRS may add any unpaid taxes to amend and increase its claim. This likely will require you to increase the amount of your **plan** payment to ensure payment of those tax obligations before your case can finish. Accruing unpaid tax obligations during your case could result in the dismissal of your case. This could have a devastating negative impact on your ability to successfully complete your case.

DO NOT BUILD UP MORE TAX OBLIGATIONS DURING THE LIFE OF YOUR PLAN

5. *My plan says I must send copies of my tax returns and, perhaps, any tax refunds to the Trustee while I'm in Chapter 13. Does the Trustee really want those?*

(A) TAX RETURNS

Your Chapter 13 plan says that you must *timely file* and submit **signed** and dated **COPIES of BOTH your STATE and FEDERAL TAX RETURN FORMS** to the Trustee every year during your plan whether you get a *refund* or not. Send your tax returns and any other documents **other than payments** to:

Wayne Godare, Trustee
222 S.W. Columbia Street, Suite 1700
Portland, OR 97201

Have your Attorney send the copies to the Trustee
DO NOT SEND ORIGINALS! COPIES ONLY

Please have your attorney send these **copies** to the Trustee immediately after you file the returns and blank out (redact) any social security numbers and children's names.

REMEMBER: You will not successfully finish your plan and get your discharge unless you complete this requirement!

(B) TAX REFUNDS

Paragraph 3(c) of your Chapter 13 plan may require you to pay your net tax ***refunds*** each year to the Trustee. Whether you must forward your refunds depends on what is found in paragraph 3(c) of your plan. **Read your plan closely.** If you receive a tax *refund* and your plan requires you to forward it to the Trustee for the benefit of your creditors, the entire *refund* must be sent to the Trustee unless, in that same year, you also owe taxes to a different income taxing authority. For example, if you receive a \$500 Federal tax *refund* and that same year you owe the State \$300, you would only need to send the Trustee the net of \$200. (just endorse the checks over to Wayne Godare or send a money order or cashier's check for the net amount and a note showing the math and send it to the Trustee's bank just like you would send a plan payment) If you receive an adjustment letter from any taxing authority, be sure to send it to the Trustee so we can adjust our records.

You cannot avoid paying your refund to the Trustee by applying your refund to next year's tax obligation, agreeing that your refund can be kept by the IRS for some reason or used as a donation.

REMEMBER: You will not successfully finish your plan unless you complete this requirement!

Tax *refunds* must be mailed to the Memphis payment address. Be sure to put your case number all on payments and state that the check is for your tax refunds. If you fail to do this your check may not be properly credited.

6. My confirmation order also says that I must report to the Trustee if my actual or projected gross income goes up 10%...could you explain that? And what if I take money from my retirement fund or get extra money that's not from my job?

Paragraphs 9 of your Chapter 13 **plan** says that you are **required to report** to the Trustee if and when your gross income increases more than 10% from the amount originally reported on your Schedule I that was filed with your bankruptcy papers. If that happens, you should contact your attorney to review all of your income and expenses and file amended schedules to reflect the changes.

Paragraph 11 of your Chapter 13 plan says that if you or your spouse take a retirement fund distribution or have the right to receive **any** money exceeding \$2500 during your plan, you **must inform** your lawyer and the Trustee's office. It also says that you must keep any of that money safe and you may not spend any of it until you either get permission from the Trustee or an Order from the judge to spend it.

Taking a retirement distribution during the plan could turn your otherwise exempt property into disposable income. If that happens, the amount of the retirement distribution may have to be paid to your creditors before you get your discharge. **BE SURE TO TALK TO YOUR ATTORNEY BEFORE YOU ACT.**

You are also required to inform the Trustee if and when you get married during the time you are in Chapter 13.

REMEMBER: Everyone in Chapter 13 must pay their ongoing tax obligations during the life of the plan. This obligation includes any taxes owed as a result of any increase in income.



7. *There are some extra paragraphs attached to the end of my plan. What do I do about those?*

Complying **timely** with the requirements of any special circumstances additional paragraphs added to your **plan** is critical to your success in gaining your discharge. Remember: Your discharge is the ultimate goal in your Chapter 13. (See number 13 for information about your discharge)

Some of those commonly used paragraphs are as follows: (If any of these are included in your **plan**, be sure to discuss what you need to do with your attorney)

- A. **Overtime, Bonus or Commission Income:** In some instances, if you receive overtime, bonuses or commissions as income, all or a portion of that income may be income that must be sent to the Trustee. If there is such a requirement, it will be outlined in a separate paragraph at the end of your **plan** and in paragraph 3 (e) of your **plan**.
- B. **Future Automobile Purchase:** In some instances, you may be planning to purchase an automobile soon with payments set aside for a down payment. You must make the scheduled payments to your attorney until you get permission from the Trustee to make the purchase. See question # 8 for more information.
- C. **Sale of property:** Sale of either personal or real property requires specific steps to be taken to make sure that it is done according to the Bankruptcy Code. If this applies to your case, see question # 9 for more information.
- D. **Tax requirements:** Paragraph 10 of your **plan** requires you to timely file your required tax returns and provide a copy to the Trustee's office. In some cases, that requirement is specifically set out in an additional paragraph in your plan. Be sure to comply because if you do not your case could get dismissed – sometimes without a hearing.
- E. **Charitable contributions:** If you are making charitable contributions from your income, you may be required to provide proof to the Trustee. Getting proof is easy in most instances. If you have this requirement, you need to gather the proof each year and send it to the Trustee. If you don't and can't prove the contributions, you will need to make up the amount you claimed by paying more to the Trustee before you can get your discharge.



8. *May I incur credit during my Chapter 13? What if my car breaks down and I need a new one...?*

Paragraph 8 of your Chapter 13 **plan**, states that you **may not** incur any credit obligations during the life of your plan without the Trustee's written consent. The only time you can act without the Trustee's written consent would be:

- (1) an emergency, or
- (2) ordinary expenses for a business approved in your plan.

Any request for credit must be approved by the Trustee in writing **before** you obligate yourself in any way. The most common credit obligation you may wish to incur is for the purchase of a car. Be sure to contact your attorney if you must buy a car or trade in your old one. Do not let a car dealer talk you into anything before your attorney has had a chance to get involved. The Trustee regularly approves requests to finance replacement for basic needs vehicles, so long as you and your attorney follow the proper procedure. That procedure requires that you supply the Trustee with some basic information on a form provided by his office and that you get Trustee approval **before** you commit to any obligation.

REMEMBER: Taking on any new credit obligations could jeopardize your **plan** and failure to get permission could result in your case being dismissed. AND, not paying your tax obligations as they become due is considered taking on new credit. Be sure to pay whatever tax obligations you have during your **plan**. (See page 4 for more information about this)



9. My spouse and I have been talking about selling our house and buying another while we are in our Chapter 13. Is there anything special we must do? What if I want to have a Home Loan Modification?

Paragraph 11 of your Chapter 13 **plan** requires you to inform the Trustee and your creditors of the sale, lease, encumbrance, disposal or purchase of any real property or any personal property with a value over \$10,000. Informing the Trustee and creditors can be tricky and may have unexpected consequences if not done properly. It is very important you learn and understand all the possibilities

before you take any steps involving the sale or acquisition of any property. You should contact your attorney well before you list or advertise your property or purchase property and discuss what you want to do. The Trustee will require specific information before any permission to buy or sell is given and selling or purchasing property sometimes requires a court order that usually takes about 30 days to obtain. Find out what is required **BEFORE** you commit to any purchase or sale.

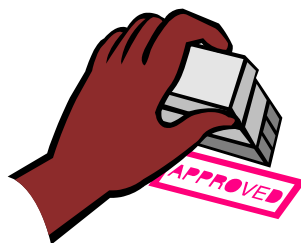


If you think you are going to sell or refinance some real property, check out the Trustee's web site at www.portland13.com and click on "**Information for Debtors**", then "**Selling or Refinancing Your Home**" for more specific information about the requirements.

Any **Home Loan Modification** requires your judge and Trustee's approval. Make sure your attorney talks to the Trustee's office before you act.

REMEMBER: Selling, buying or improving property is tricky when you are in Chapter 13. Check the website and talk to your attorney first!

REMEMBER: You cannot incur any credit obligations while in Chapter 13 without first obtaining the Trustee's written consent.



10. How can I find out how my plan is progressing?

In January every year, the Trustee will send you and your attorney a complete record of all receipts and disbursements for the previous calendar year. It will tell you exactly how much money the Trustee has received from you and how much and to whom payments have been made.

You may also request a progress report if you need one. This request must be in writing and sent to the Trustee's office at the address shown in the answer to question #2. It will take approximately a week to 10 days to respond. The progress report will give you a summary of your case to date. If you want to know how much it would take to pay off your case, you should send a request for that information to the Trustee's office in writing. A form for this purpose can be found on my web site at www.portland13.com by clicking on "**Information For Debtors**" and then, at the bottom of the page, "**Want to Request A Payoff of your bankruptcy case?**"

REMEMBER: You cannot pay off your case before you have been making plan payments for your required commitment period found in paragraph 2 of your **plan** and have completed all the requirements of paragraph 1 of your plan, **UNLESS** you pay all your creditors 100%. (See question #11)



11. May I make larger payments to the Trustee and complete my case early?

The Bankruptcy Code requires you to send all your *projected disposable income* to the Trustee for your “applicable commitment period” which will be either 36 or 60 months. Your *projected disposable income* is reflected as your payments set out in paragraph 3 of your **plan**. Your attorney should inform you of your “commitment period” and you can find it by looking at Paragraph 2 of your **plan**. It will be marked either 36 or 60. If your commitment period is 36, you must make plan payments for at least 36 months - but you may be required to continue with your payments until all required claims have been paid in full. If your commitment period is 60, you must continue making payments for 60 months unless you are able to pay all claims 100%.

DO NOT ATTEMPT TO PAY OFF YOUR CASE EARLY BY SENDING EXTRA MONEY TO THE TRUSTEE. THE BEST RULE IS TO DO EXACTLY AS YOUR PLAN SAYS. When the Trustee receives unexpected extra payments, he will wonder where you got the extra money, and it won’t shorten your “commitment period”. Any attempt to pay off your **plan** early can be complicated, and you should check with your attorney before you contact the Trustee.

Making larger payments to the Trustee may be required if your income increases (see answer to question # 5). So, if you want to make larger payments because you got a big raise amounting to more than 10% of what you originally reported as your income, you should inform the Trustee of that fact in writing before you begin sending in more money.

REMEMBER: Do not borrow money or incur credit to make bigger payments to the Trustee hoping that you can complete your **plan** before the end of your “commitment period”. This is not like paying off a car or mortgage. Your best bet is to make your scheduled payments on time using your disposable income. You filed a Chapter 13 plan to eliminate your debts and get a "fresh start". The best way to accomplish that goal is to follow exactly the terms of your **plan**.



12. My attorney said my plan payments would last for at least 36 but might go as long as 60 months. When should I stop making payments?

You or your employer should continue making payments until the Trustee or your attorney specifically tells you to stop.

Depending on whether your income places you below or above Oregon's median income level, you may be required to make payments to the Trustee for at least 36 months and perhaps as long as 60 months. It can be difficult to predict the exact outcome of your case when it is filed. You should ask your attorney whether you are below or above the median. That answer will tell you whether you must continue payments for a minimum of 36 months or whether you must continue for the full 60 months.

REMEMBER: It is not a good idea to send more money than what is specifically called for by your **plan**. Even if you send more money, you will still be required to make **plan** payments during the complete length of your "commitment period." Sending more money than what is called for by your **plan** will not shorten your commitment period. Sending more money than what is called for by your **plan** will only mean your creditors will receive those extra funds.



13. Well, I'm about to make my last payment. I heard that now I get a discharge. What does that mean and how long does it take?

A **discharge** is your biggest and ultimate goal. The discharge order is a document prepared by the Bankruptcy Court and signed by your judge. It means you have completed the requirements under your **plan**. Most, if not all, of the creditors you listed may never again contact you about those debts. If you have some nondischargeable debts, such as child support or student loans that have not been paid in full during your **plan**, those creditors may contact you again about payments of those debts.

REMEMBER: Before you can receive your important discharge, the Bankruptcy laws require that you attend a **Personal Financial Management Class**.



The Trustee must audit and review your case before the Bankruptcy Court will issue the discharge. This normally takes about 60 days. During that period the Trustee double checks your payments and reviews your case to ensure that you have done everything required from his standpoint. Then the Trustee notifies the clerk of the Bankruptcy Court, and the Court will then issue your discharge in approximately 30 days.

After all your hard work to complete your **plan**, you should now enjoy what has been termed a "fresh start". You should no longer need to endure the credit problems that caused you to seek Chapter 13 relief in the first place. The Trustee hopes this information has been helpful to you and that it will assist you in avoiding a similar situation in the future.

CONGRATULATIONS AND GOOD LUCK IN THE FUTURE!

Wayne Godare, Trustee

**Notice Is Hereby Given That Information Relating To Your
Chapter 13 Bankruptcy Case Will Be Made Available on the Internet
To Your Creditors and Other Parties in Interest**

Pursuant to 11 U.S.C. §§1302(b)(1) and 704(7), your Chapter 13 Trustee has a duty, unless otherwise ordered by the bankruptcy court, to furnish information concerning the administration of your bankruptcy case as is requested by parties in interest.

In furtherance of this duty, the Chapter 13 Trustee will make the following information available to parties in interest who request such information:

1. Your name, address, bankruptcy case number, state and district in which your case is pending and the trustee assigned to your case. Your social security number will not be visible to parties in interest, but they will be able to search for your bankruptcy case using your social security number. Furthermore, your employer's name will not be displayed.
2. Information regarding claims filed against your bankruptcy case including the identity of the claimant, the type of claim (e.g., priority taxes, secured, unsecured, etc.), and the amount of the claim.
3. A history of all payments you make to the Chapter 13 Trustee in your bankruptcy case including the date and amount of each payment.
4. A history of all disbursements made by the Chapter 13 Trustee in your bankruptcy case including the date of the disbursement, the payee, and the amount.

You may review, without charge, the information about your Chapter 13 bankruptcy case that is posted on the internet.

The URL address where your information is posted is <http://www.ndc13.com> which is operated by the National Data Center, Inc., ("NDC"). You can contact the NDC at 1-866-938-3639 Monday – Friday 9:00am to 5:00pm PST. NOTE No debtor support available on major holidays.



Your Trustee has a duty to furnish information concerning your bankruptcy as requested by parties in interest.

Easily track your bankruptcy case.

National Data Center is here to assist you and your attorney in gaining access to your Chapter 13 Bankruptcy case information securely through the Internet. Please be advised that National Data Center is not your Trustee's office. We cannot discuss or interpret any of the data that is presented through www.ndc.org. If you have any questions or issues once you have accessed your case, please contact your Chapter 13 attorney to discuss further.

To begin, enter **www.ndc.org** into your Internet Browser and click the **"Get Started"** button to register for your username and password.

Get Started

Please have your Chapter 13 Bankruptcy documents with you when registering for a Username and Password. The validation process is designed to protect your privacy. You must answer the security questions correctly to successfully access and view your case information.

Frequently Asked questions

Contact NDC

Q. What if a Creditor listed is one that I do not recognize?

A. The Creditor that originally owned the right to your claim, may have sold the Claim. Please contact us for further assistance.

Q. What if I do not understand the information presented about my case at www.ndc.org - Can someone at the NDC help me with this?

A. Unfortunately, the NDC cannot discuss or advise on your case details that are presented on the website. Specific questions must be directed to your Chapter 13 Attorney or Trustee's Office assigned to your case.

Q. How can I find out the REMAINING BALANCE OWED or PAYOFF AMOUNT FOR MY CHAPTER 13?

A. Remaining balance owed and payoff amount is NOT available online at www.ndc.org. You must contact your Trustee's office to obtain this information.

Please be advised that National Data Center is not your Trustee's office and we cannot discuss or interpret any of the data that is presented through www.ndc.org. If you have any issues or questions once you have accessed your case, please contact your Chapter 13 Attorney to discuss.

The National Data Center is not your Trustee office, we are here to assist you in accessing your case online. We cannot discuss or interpret any of the data that is presented through www.ndc.org. If you have any issues or questions once you have accessed your case, please contact your Chapter 13 Attorney to discuss.

Please read our Frequently Asked Questions (FAQ's) section - you may locate the answer to your question.

Fill out the form below to contact the National Data Center. We will respond back to your request within 48 Hours and often will reply in a much shorter time.

Member Type:

First Name:

Last Name:

Email:

Phone Number:

For Debtor's Only

Trustee Name:

Case Number:

Message:

Required

Submit Form

ndc.org

National Data Center Office Hours
Debtor Support Monday - Friday 9:00am to 5:00pm PST
Phone: (352) 528-2629

PAYMENT RECORD

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PAYMENT RECORD

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